



Osage Minerals Council

Regular Meeting

August 17, 2022

Pawhuska, Oklahoma

Page 1 of 6

1. **Call to Order and Welcome by Chairman Waller** – 10:01 a.m.
2. **Opening Prayer and reading of Deceased Osages** – Councilmember Talee Redcorn
3. **Roll Call** – Chief of Staff Lacey Reynolds

Councilmember Bighorse – present
Second Chairman Cheshewalla – present
Councilmember Currey – present, via Zoom
Councilmember Red Eagle – present
Councilmember Redcorn – present
Councilmember Revard – present
Councilmember Shackelford – present
Chairman Waller – present

Guests: Troyce Garringer, Norma Standridge, Cliff Taylor, Dan Keim, Barry Vargt, Janelle McLean, Robert Knappe, Duane Matt, Ben Bymers, Rhonda Wallace, J.B. Mashunkashey, Bill Mashunkashey, Teresa Rutherford, Beverly Brownfield, Stephanie Davis, Candy Thomas, Justin Patterson, Greg Sparks, Richard Winlock (Zoom).

4. **Superintendent Report:** Aggregates: APAC produced 32,877.34 tons and paid \$34,849.98 in royalty; Candy Creek produced 24,415 tons and paid \$21,631.69 in royalty; Wilson Ranch produced 0 tons and paid \$00 in royalty; Burbank Materials produced 13,737.99 tons and paid \$14,150.13 in royalty; Schmidt Brothers produced 704 cubic yards and paid \$528.00 in royalty; Rocky Bank produced 420 cubic yards and paid \$350.00 in royalty; and Sherwood Cons. produced 0 cubic yards and paid \$00 in royalty. Producing Wells: 14,852 less 3,230 for SWD Wells. Approved Permits: 3 Workover Permit; 8 Plugging Permits; 5 Emergency Plugging Permits; 0 Emergency Workover Permits; and 0 Drilling Permits. No new drilling completions reported.

Discussion: Council Redcorn asked if the five emergency plugging permits were for OMC's plugging group. Mr. Winlock said he thought they were for OMC or the Burbank area. Second Chair Cheshewalla asked how many field personnel were currently employed by the Osage Agency. Mr. Winlock said there were six, but one is resigning at the end of the month.

5. **BTFA Update:** Troyce Garringer introduced herself as the new Fiduciary Trust Officer; her direct office number is 918.287.5797. Stephanie Davis is the Trust Accounts Administrator. If headright owners need assistance with IIM accounts, they can speak to personnel in Pawhuska at 918.287.5791.

Discussion: Council Red Eagle heard the [Osage] Council had one or two headrights several years ago. When the government changed in 2006 or 2007, he didn't know whether OMC or the Nation kept the headrights. He asked if they had that information. They said they didn't know but would find out. Council Redcorn asked if the BTFA was a new group. Ms. Garringer said they were formerly the Office of the Special Trustee (OST). They changed in October 1, 2020 to the Bureau of Trust Funds Administration during the pandemic. Their office is with the BIA. Council Redcorn continued asking if they did the payout for all the people in October 2011. They said yes.

6. New Business

- a. Staff from the **Division of Energy and Minerals Development (DEMD)** were onsite from Denver to introduce themselves to OMC-5 and share the services they provide. Although their main services are oil and gas, they provide millions of dollars in grant funding. DEMD also offers free services for technical assistance, geology, marketing, business services, and economic development. Chairman Waller pointed out on DEMD's map the only federally recognized reservation in Oklahoma is the Osage Nation. Council Redcorn thanked them for their assistance, especially with



Osage Minerals Council

Regular Meeting

August 17, 2022

Pawhuska, Oklahoma

Page 2 of 6

previous grant funding. It has been helpful. He then asked what to do when potential is found, instead of plugging a well. He wants OMC to produce the potential wells. **Ms. McLean** said she would have to get back to OMC when she had an answer to that question. She also said she needed to know what OMC-5 wanted to do. **Dan Keim** said his department is working on a new OMC brochure to show oil and gas leasing potential on the Osage Reservation; it will be ready in time for NAPE. **Chairman Waller** asked if they would make a QR code available with the content of the brochure. **Mr. Keim** said he would work on adding a QR code. **Council Red Eagle** said the brochure OMC has now is from 2018, possibly 2019 and has [outdated] acreage available for lease. **Mr. Keim** said it is being updated. **Council Revard** inquired where DEMD gets their information for the brochure – e.g. 208, 139, electric logs, induction logs, etc. He added that OMC needs access to well records, including updated information found in TAAMS. **Council Shackelford** said the data would help OMC's with acquiring producers. A technology expert could remove the data that OMC isn't allowed to view. **Council Revard** agreed and reiterated the importance of OMC needing access to well records for development of the Mineral Estate. He made a public plea to DEMD for assistance to access BIA well records. He said there's no reason the available acreage could not be published. **Chairman Waller** said Osage Nation received a letter from Kristin Kokinos at the U.S. Solicitor's office saying BIA would be offering future assistance to accessing well records. **Council Redcorn** said the letter was from Kristin Kokinos that the NIOGEMS data would be expanded with more data, including current leasing information from TAAMS. He emphasized *current* saying everything OMC is now allowed to access is historic leasing information. **Council Revard** asked whether the information that will be provided to OMC will be public information. **Mr. Keim** said clarified that information from IHS data is not for the public, but the available acreage can be shared. **Council Revard** said it has been 15 years since OMC has had access to well records, and they are critical to the development of the Mineral Estate. Access to data will help with existing and drilling exploratory wells. He asked for DEMD to help OMC gain access to well records. **Council Redcorn** stated that Buffalo Data – the osageminerals.org website developer – needs to be included. The data on the website is not current. **Council Shackelford** asked if data access had capabilities such as housing areas or highway projects. There are specific areas that are taken for projects that cannot be used for production. That information will help with marketing OMC. **Mr. Matt** said his area of expertise is exploration and locating quality and quantity [of minerals]. **Council Redcorn** said that's what moves OMC – oil. That's where the value is on the Osage. They need more barrels of oil. They need to know how to get more barrels out of the ground.

- b. **Resolution:** Approve requesting the Division of Energy and Minerals Development to evaluate the list of wells for economic potential; approves requesting the Superintendent to extend the plugging of these wells to coincide with the Division of Energy and Minerals Development evaluation period.

Motion by **Council Revard**

Councilmember Bighorse – y

Councilmember Currey – y

Councilmember Redcorn – y

Councilmember Shackelford – y

Second by **Council Shackelford**

Second Chairman Cheshewalla – y

Councilmember Red Eagle – y

Councilmember Revard – y

Chairman Waller – y

Motion **PASSED**

YES: 8

NO: 0

ABSTAIN: 0

ABSENT: 0

Discussion: **Council Revard** said an operator is required to plug 41 wells in 90 days from the BIA. There was a concession on coalbed methane. CEP forfeited their concession because of economic reasons during OMC-4. It took the BIA a few years to catch up to that forfeiture. Now, there are several tracts without production. After the BIA realized several tracts weren't producing, they sent demand letters for the wells to be plugged; that amount of wells can't be plugged done in 90 days. He asked Mr. Winlock if they were certain all the 41 wells were without value. OMC does not want wells plugged that are capable of



Osage Minerals Council

Regular Meeting

August 17, 2022

Pawhuska, Oklahoma

Page 3 of 6

production. BIA said they didn't have enough personnel to evaluate the wells. So, Council Revard asked DEMD if they could evaluate the wells to determine whether they are capable of production. DEMD responded and said they would evaluate the wells. DEMD requires a specific form to be completed as a formal request to complete the evaluations. **Council Red Eagle** said CEP requested a two-year extension to plug all of the wells. He said that would give DEMD time to evaluate the wells, also. **Council Revard** said he'd like OMC to request the BIA to delay the plugging demand until DEMD's evaluation is complete. **Chairman Waller** agreed and said the BIA might not be able to extend the timeline because of federal regulations, and it would be a disadvantage for the producer who has been with OMC for several years. **Council Shackelford** said OMC's commitment is to the shareholder, as trustee. It's OMC's obligation to try to help producers who have stayed with OMC for so long. They are understaffed right now, due to COVID. It would be a disservice to shareholders if OMC didn't evaluate the wells to check for value.

- c. Resolution:** Grant Shamrock Operating Company, LLC two new oil and gas (less coalbed methane) leases for NE 5-22-7 E and SE 5-22-7 E; each tract will have a lease bonus of \$4,700 with a three-year primary term and 20% royalty. All data provided to the Bureau of Indian Affairs will be provided to the Osage Minerals Council.

Motion by **Second Chair Cheshewalla**

Councilmember Bighorse – y

Councilmember Currey – y

Councilmember Redcorn – y

Councilmember Shackelford – y

Motion **PASSED** YES: 8 NO: 0 ABSTAIN: 0 ABSENT: 0

Second by **Council Redcorn**

Second Chairman Cheshewalla – y

Councilmember Red Eagle – y

Councilmember Revard – y

Chairman Waller – y

Discussion: **Chairman Waller** reminded him when he takes the lease, all the wells are the responsibility of the producer. **Council Red Eagle** reminded everyone of the upcoming lease sale. He asked if any of the producers present at the meeting considered putting any tracts on the sale, and asked they consider it for the future.

- d. Resolution:** Grant Performance Petroleum Company a new oil and gas (less coalbed methane) lease for SE 24-28-8 E; each tract will have a lease bonus of \$5,000 with a three-year primary term and 20% royalty. All data provided to the Bureau of Indian Affairs will be provided to the Osage Minerals Council.

Motion by **Council Redcorn**

Councilmember Bighorse – y

Councilmember Currey – y

Councilmember Redcorn – y

Councilmember Shackelford – y

Motion **PASSED** YES: 8 NO: 0 ABSTAIN: 0 ABSENT: 0

Second by **Second Chair Cheshewalla**

Second Chairman Cheshewalla – y

Councilmember Red Eagle – y

Councilmember Revard – y

Chairman Waller – y

- e. Resolution:** Grant Performance Petroleum Company a new oil and gas (less coalbed methane) lease for NW 30-28-8 E; each tract will have a lease bonus of \$5,000 with a three-year primary term and 20% royalty. All data provided to the Bureau of Indian Affairs will be provided to the Osage Minerals Council.

Motion by **Council Redcorn**

Councilmember Bighorse – y

Councilmember Currey – y

Councilmember Redcorn – y

Councilmember Shackelford – y

Motion **PASSED** YES: 8 NO: 0 ABSTAIN: 0 ABSENT: 0

Second by **Council Bighorse**

Second Chairman Cheshewalla – y

Councilmember Red Eagle – y

Councilmember Revard – y

Chairman Waller – y

Discussion: Contingent upon termination of existing lease, which is in the process of termination.



Osage Minerals Council

Regular Meeting

August 17, 2022

Pawhuska, Oklahoma

Page 4 of 6

- f. Resolution:** Grant John P. Long, Jr. three new oil and gas (less coalbed methane) leases for NE 10-24-6 E, NW 10-24-6 E, SW 25-6-9 E; each tract will have a lease bonus of \$4,750 with a three-year primary term and 20% royalty. All data provided to the Bureau of Indian Affairs will be provided to the Osage Minerals Council.

Motion by **Council Redcorn**

Councilmember Bighorse – y

Councilmember Currey – n

Councilmember Redcorn – y

Councilmember Shackelford – y

Motion **PASSED** YES: 5 NO: 3 ABSTAIN: 0 ABSENT: 0

Second by **Council Red Eagle**

Second Chairman Cheshewalla – n

Councilmember Red Eagle – y

Councilmember Revard – y

Chairman Waller – n

Discussion: Norma Standridge spoke on behalf of John P. Long, Jr. She said there were three leases with one well per lease.

7. Motion: Enter Executive Session

Motion by **Second Chair Cheshewalla**

Councilmember Bighorse – y

Councilmember Currey – y

Councilmember Redcorn – y

Councilmember Shackelford – y

Motion **PASSED** YES: 8 NO: 0 ABSTAIN: 0 ABSENT: 0

Time: 12:08 p.m.

Second by **Council Redcorn**

Second Chairman Cheshewalla – y

Councilmember Red Eagle – y

Councilmember Revard – y

Chairman Waller – y

Motion: Exit Executive Session

Motion by **Council Red Eagle**

Councilmember Bighorse – y

Councilmember Currey – y

Councilmember Redcorn – y

Councilmember Shackelford – y

Motion **PASSED** YES: 8 NO: 0 ABSTAIN: 0 ABSENT: 0

Time: 12:33 p.m.

Second by **Council Shackelford**

Second Chairman Cheshewalla – y

Councilmember Red Eagle – y

Councilmember Revard – y

Chairman Waller – y

8. Old Business

- a. Govenda:** Council Revard discussed renewing the board management software OMC currently uses. He explained the usefulness of having the software and how easily it is to pull documents up that need to be easily accessible. It was time to renew it, and he wanted to renew it. If it isn't renewed, he wanted to make sure it was kept until staff had time to download all documents on it to the Z drive. They wanted to make sure the documents on Govenda were available somewhere else, i.e. Z drive, hard copy or staff member's computer. OMC staff also located a comparable board management software that had a significantly lower cost than Govenda. It also had a free two-week trial offer. Council Shackelford suggested trying that. Council Red Eagle asked if the same information from Govenda was available on the Z drive. Ms. Reynolds said the document are available, but the agenda and meeting history isn't available. Z drive is only for storage. Council Revard said he was in favor of the less expensive platform, as long as it was the same quality. He wanted to try the free trial of Boardable. Council Redcorn asked if Minerals-4 voted for Govenda. Ms. Reynolds said Minerals-4 voted on it for a three-year period.

b. Resolution: Rescind 4-443

Motion by **Council Revard**

Councilmember Bighorse – y

Councilmember Currey – y

Second by **Council Red Eagle**

Second Chairman Cheshewalla – y

Councilmember Red Eagle – y



Osage Minerals Council

Regular Meeting

August 17, 2022

Pawhuska, Oklahoma

Page 5 of 6

Councilmember Redcorn – y

Councilmember Shackelford – y

Councilmember Revard – y

Chairman Waller – absent

Motion **PASSED** YES: 7 NO: 0 ABSTAIN: 0 ABSENT: 1

Discussion: Council Revard said in June 2021, OMC-4 adopted a resolution that all communication go through the Chairman. He wanted the resolution to be rescinded. He wanted all eight council members to be able to talk to the nation and to the BIA. He gave an example about requesting information from the BIA about whether a lease was terminated or canceled. Depending on the way the lease ends – termination or cancelation – determines the way equipment is dealt with. The BIA would not speak to him about the lease. He thinks all OMC should be treated equally and be able to speak to the BIA and the nation about OMC issues and communications. Council Shackelford said, when he was on Congress, there were certain things that could alleviate the issue – committees would help with that. Then, everything wouldn't be placed on one individual. Certain functions could be distributed equally and could be delegated, i.e. leases, budget, etc. Committees would help OMC run more smoothly and have tasks get done in a more timely fashion. Council Red Eagle said, some might remember, [BIA's refusal to communicate with OMC] started when Mr. Drummond sued the BIA. The BIA didn't want to talk to OMC. Council Revard clarified he still wants Chairman Waller to author letters and communicate with officials in Washington, DC. But for day-to-day business, he would like to be able to speak to the BIA. Council Currey said OMC needs to be able to communicate with the BIA. She wanted to make sure that the chairman still has signatory authority. If OMC has a questions, they want an answer. Council Redcorn said all resolutions say the chairman is authorized to sign. He clarified that Council Revard only wants to rescind the original resolution. Council Revard affirmed. Council Shackelford said the signatory authority still belonged to the chairman. Council Revard said the second paragraph is on all resolutions, which authorizes Chairman Waller to sign resolutions. There is a resolution in place giving the OMC chairman authority to sign documents.

- c. **Update Correspondence with Judge Drent:** Council Revard wanted the 47 people, who weren't given the opportunity to vote in the OMC election, to be given an explanation. He wanted to explain to them what happened with the lockbox at the post office. After the last OMC meeting, Chairman Waller wrote a letter to Judge Drent asking for advice or if anything could be done about the situation. No response has been received. He asked what OMC wanted to do – write another letter, call, etc. Second Chairman Cheshewalla said they could ask Chairman Waller to call Judge Drent asking for an update. Council Revard asked if anyone objected to that. Council Bighorse said no, and that he'd recently gotten a phone call inquiring about it. Council Revard asked if Second Chair Cheshewalla could relay the information to Chairman Waller and ask him to contact Judge Drent by phone or letter. Ms. Reynolds reminded the resolution they just passed allowed each of them to communicate with the nation, and any one of them could directly contact Judge Drent without going through the chairman. Council Revard said he would rather the communication be from the chairman. Council Red Eagle said it was a "hot issue" and no one had an explanation. The post office stalled it, and an explanation still has not been received. He thinks shareholders want to know what's going on. It may or may not have changed the outcome of the election.

9. Motion: Approve minutes

Motion by Council Red Eagle

Councilmember Bighorse – y

Councilmember Currey – y

Councilmember Redcorn – y

Councilmember Shackelford – y

Motion **PASSED** YES: 7 NO: 0 ABSTAIN: 0 ABSENT: 1

Second by Council Redcorn

Second Chairman Cheshewalla – y

Councilmember Red Eagle – y

Councilmember Revard – y

Councilmember Waller – absent

10. Motion: Adjourn

Motion by Council Bighorse

Time: 1:25 p.m.

Second by Council Shackelford



Osage Minerals Council

Regular Meeting

August 17, 2022

Pawhuska, Oklahoma

Page 6 of 6

Councilmember Bighorse – y
Councilmember Currey – y
Councilmember Redcorn – y
Councilmember Shackelford – y

Motion **PASSED** YES: 7

NO: 0

Second Chairman Cheshewalla – y

Councilmember Red Eagle – y

Councilmember Revard – y

Councilmember Waller – absent

ABSTAIN: 0

ABSENT: 1

Approved by the Fifth Osage Minerals Council on September 2, 2022.

A blue ink signature of Everett Waller, written in a cursive style.

Everett Waller, Chairman

A blue ink signature of the Executive Administrative Assistant, written in a cursive style.

Executive Administrative Assistant